

REQUEST FOR INFORMATION SP0600-03-R-0118

GENERAL INFORMATION:

Document Type: Sources Sought Notice / Request for Information (RFI)
Posted Date: May 16, 2003
Response Date: June 30, 2003 (9:00 a.m. EST)
Contracting Office: Defense Energy Support Center - Bulk Fuels Division (DESC-BZ)
8725 John J. Kingman Road, Suite 2954
Fort Belvoir, VA 22060-6222
Attn: William A. Maclaren, Jr., Contracting Officer
Facsimile: 703-767-9269
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Mail or fax responses to the Contracting Office by the response date indicated above.

DESCRIPTION:

Defense Energy Support Center Bulk Fuels Division (DESC-BZ) issues this Request For Information (RFI) to determine the potential for alternative methods of delivery to support JP8 requirements in South Korea. DESC-BZ is gathering information to establish both interest and capability of potential suppliers to deliver JP8 (Aviation Turbine Fuel, NSN 9130-01-031-5816) by Tank Truck (TT), Railcar (RC), and Pipeline (PL) on an FOB Destination basis to locations throughout South Korea. The scope of this request is for information only. **No contracts will be awarded on the basis of the information provided in response to this RFI.**

All prices requested are for informational purposes only. DESC requests that respondents provide the best estimated prices, as this information will be used to determine future DESC solicitations for the procurement of JP8 in South Korea. All fuel prices must be tied to the April 29, 2003 base reference price as outlined in **Clause B19.34 ECONOMIC PRICE ADJUSTMENT (OVERSEAS BULK) (DESC APR 1997)**. A copy of Clause B19.34 is included as part of this RFI.

INFORMATION REQUESTED:

DESC requests that respondents answer the questions in Parts I - III below and complete the information in the tables provided.

PART I - FOB DESTINATION PIPELINE DELIVERY

Can you deliver JP8 on an FOB Destination basis to the following locations via Pipeline?

WAEGWAN ___YES ___NO
SONGNAM ___YES ___NO
TAEGU AIR BASE ___YES ___NO

If you have answered "YES" to the above question for either location, please fill out information in the following table:

INFORMATION REQUESTED	DESTINATION LOCATIONS		
	WAEGWAN	SONGNAM	TAEGU AB
Proposed shipping point:			
Pipeline to be used for shipment:			
Maximum quantity per shipment (in barrels):			
Minimum quantity per shipment (in barrels):			
Number of shipments per day:			
Number of days between shipments:			
Maximum quantity per month (in US gallons):			
Transportation cost (in US Dollars):			
Total estimated price per US gallon, product plus freight (in US Dollars):			

PART II - FOB DESTINATION RAILCAR DELIVERY

Can you deliver JP8 on an FOB Destination basis to the following locations via Railcar?

CAMP EDWARDS	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP PAGE	<input type="checkbox"/> YES	<input type="checkbox"/> NO
UIJONGBU	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP LONG	<input type="checkbox"/> YES	<input type="checkbox"/> NO
WAEGWAN	<input type="checkbox"/> YES	<input type="checkbox"/> NO
OSAN AIR BASE	<input type="checkbox"/> YES	<input type="checkbox"/> NO
TAEGU AIR BASE	<input type="checkbox"/> YES	<input type="checkbox"/> NO
KWANG JU AIR BASE	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP CASEY**	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If you have answered "YES" to the above question for any of the locations, please fill out the information requested in the following table:

INFORMATION REQUESTED	DESTINATION LOCATIONS				
	CAMP EDWARDS	CAMP PAGE	UIJONGBU	CAMP LONG	CAMP CASEY**
Proposed shipping point:					
Maximum quantity per day (in US gallons):					
Minimum quantity per day (in US gallons):					
Number of railcars per day:					
Number of days between shipments:					
Maximum quantity per month (in US gallons):					
Transportation cost (in US Dollars):					
Total estimated price per US gallon, product plus freight (in US Dollars):					

INFORMATION REQUESTED	DESTINATION LOCATIONS			
	WAEGWAN	OSAN AIR BASE	TAEGU AIR BASE	KWANG JU AIR BASE
Proposed shipping point:				
Maximum quantity per day (in US gallons):				
Minimum quantity per day (in US gallons):				
Number of railcars per day:				
Number of days between shipments:				
Maximum quantity per month (in US gallons):				
Transportation cost (in US Dollars):				
Total estimated price per US gallon, product plus freight (in US Dollars):				

** Please note that the anticipated opening of Camp Casey is December 2003.

PART III - FOB DESTINATION TANK TRUCK DELIVERY

Can you deliver JP8 on an FOB Destination basis to the following locations via Tank Truck?

TDC	<input type="checkbox"/> YES	<input type="checkbox"/> NO
PYONGTAEK	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP WALKER	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP CARROLL	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP HIALEAH	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP RED CLOUD	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP STANLEY	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP BONIFAS	<input type="checkbox"/> YES	<input type="checkbox"/> NO
K-16 AIRFIELD	<input type="checkbox"/> YES	<input type="checkbox"/> NO
YONGSAN	<input type="checkbox"/> YES	<input type="checkbox"/> NO
CAMP CASEY**	<input type="checkbox"/> YES	<input type="checkbox"/> NO
SUWON AIR BASE	<input type="checkbox"/> YES	<input type="checkbox"/> NO
KWANG JU AIR BASE	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If you have answered "YES" to the above question for any of the locations, please fill out the information requested in the following table:

INFORMATION REQUESTED	DESTINATION LOCATIONS				
	TDC	PYONGTAEK	CAMP WALKER	CAMP CARROLL	CAMP CASEY**
Proposed shipping point:					
Maximum quantity per day (in US gallons):					
Minimum quantity per day (in US gallons):					
Number of tank trucks per day:					
Number of days between shipments:					
Maximum quantity per month (in US gallons):					
Transportation cost (in US Dollars):					
Total estimated price per US gallon, product plus freight (in US Dollars):					

INFORMATION REQUESTED	DESTINATION LOCATIONS			
	CAMP HIALEAH	CAMP RED CLOUD	CAMP STANLEY	CAMP BONIFAS
Proposed shipping point:				
Maximum quantity per day (in US gallons):				
Minimum quantity per day (in US gallons):				
Number of tank trucks per day:				
Number of days between shipments:				
Maximum quantity per month (in US gallons):				
Transportation cost (in US Dollars):				
Total estimated price per US gallon, product plus freight (in US Dollars):				

INFORMATION REQUESTED	DESTINATION LOCATIONS			
	K-16 AIRFIELD	YONGSAN	SUWON AIR BASE	KWANG JU AIR BASE
Proposed shipping point:				
Maximum quantity per day (in US gallons):				
Minimum quantity per day (in US gallons):				
Number of tank trucks per day:				
Number of days between shipments:				
Maximum quantity per month (in US gallons):				
Transportation cost (in US Dollars):				
Total estimated price per US gallon, product plus freight (in US Dollars):				

** Please note that the anticipated opening of Camp Casey is December 2003.

PERTINENT CLAUSES:

FAR 52.215-3 REQUEST FOR INFORMATION OR SOLICITATION FOR PLANNING PURPOSES (OCT 1997)

(a) The Government does not intend to award a contract on the basis of this solicitation or to otherwise pay for the information solicited except as an allowable cost under other contracts as provided in subsection 31.205-18, Bid and proposal costs, of the Federal Acquisition Regulation.

(b) Although "proposal" and "offeror" are used in this Request for Information, your response will be treated as information only. It shall not be used as a proposal.

(c) This solicitation is issued for the purpose of determining potential suppliers' capabilities and estimated prices for JP8 delivered on an FOB Destination basis via pipeline, rail car, and tank truck to designated locations in South Korea.

(End of Provision)

B19.34 ECONOMIC PRICE ADJUSTMENT (OVERSEAS BULK) (DESC APR 1997)

(a) **WARRANTIES.** The Contractor warrants that--

(1) The unit prices set forth in this offer and/or contract do not include allowances for any portion of the contingency covered by this clause; and

(2) The prices to be invoiced hereunder for listed items shall be computed in accordance with these escalation provisions.

(b) **DEFINITIONS.** As used throughout this clause, the term--

(1) **Base unit price** means the unit price set forth opposite the item in the Schedule.

(2) **Reference price** means the price assessment or formula set forth in the Table in (f) below with which the base unit price is to fluctuate.

(3) **Date of delivery** is defined as follows:

(i) **FOR TANKER OR BARGE DELIVERIES.**

(A) **F.O.B. ORIGIN.** The date and time vessel commences loading.

(B) **F.O.B. DESTINATION.** The date and time vessel commences discharging.

(ii) **FOR PIPELINE DELIVERIES.** The date and time product commences to move past the specified f.o.b. point.

(iii) **FOR ALL OTHER TYPES OF DELIVERIES.** The date product is received.

(c) **ADJUSTMENTS.**

(1) The Contractor shall give written notice to the Contracting Officer, Defense Energy Support Center, of any delivery and associated change in the reference price within 15 working days from the date thereof. Contractor failure to timely notify the Contracting Officer of any delivery and associated change in the reference price may result in late or incorrect payment of the relevant invoice.

(2) Subject to the provisions of this clause, the prices payable under this contract shall be the base unit price increased or decreased by the same number of cents, or fraction thereof, that the reference price shall have increased or decreased.

(3) An increase or decrease in any reference price published in a trade price service or in a commercial journal shall apply only to deliveries made on and after the effective date of the price change as stated in the publication.

(4) The Contracting Officer will issue a modification to this contract to reflect any change pursuant to this provision. However, no increase in a contract unit price shall be executed pursuant to this provision until the increase in the applicable published reference price has been verified by the Contracting Officer.

(5) **FAILURE TO DELIVER.** Notwithstanding any other provisions of this clause, no upward adjustment shall apply to product scheduled under the contract to be delivered before the effective date of the adjustment, unless the Contractor's failure to deliver according to the delivery schedule results from causes beyond the Contractor's control and without its fault or negligence, within the meaning of paragraphs (f), Excusable Delays, and (m), Termination for Cause, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract, in which case the contract shall be amended to make an equitable extension of the delivery schedule.

(6) **UPWARD CEILING ON ECONOMIC PRICE ADJUSTMENT.** The Contractor agrees that the total increase in any contract unit price pursuant to these economic price adjustment provisions shall not exceed ____NA____ percent of the award price in any applicable program year (whether a single year or a multiyear program), except as provided hereafter.

(i) If at any time the Contractor has reason to believe that within the near future a price adjustment under the provisions of this clause will be required that will exceed the current contract ceiling price for any item, the Contractor shall promptly notify the Contracting Officer in writing of the expected increase. The notification shall include a revised ceiling the Contractor believes is sufficient to permit completion of remaining contract performance, along with appropriate explanation and documentation as required by the Contracting Officer.

(ii) If an actual increase in the reference price would raise a contract unit price for an item above the current ceiling, the Contractor shall have no obligation under this contract to fill pending or future orders for such item, as of the effective date of the increase, unless the Contracting Officer issues a contract modification to raise the ceiling. If the contract ceiling will not be raised, the Contracting Officer shall so promptly notify the Contractor in writing.

(7) **REVISION OF REFERENCE PRICE INDICATOR.** In the event--

(i) Any applicable reference price is discontinued or its method of derivation is altered substantially; or

(ii) The Contracting Officer determines that the reference price consistently and substantially failed to reflect market conditions--
the parties shall mutually agree upon an appropriate and comparable substitute for determining the price adjustments hereunder. The contract shall be modified to reflect such substitute effective on the date the indicator was discontinued, altered, or began to consistently and substantially fail to reflect market conditions. If the parties fail to agree on an appropriate substitute, the matter shall be resolved in accordance with paragraph (d), Disputes, of the CONTRACT TERMS AND CONDITIONS - COMMERCIAL ITEMS clause of this contract.

(8) **CONVERSION FACTORS.** If this clause requires quantity conversion for economic price adjustment purposes, the conversion factors for applicable products, as specified in the CONVERSION FACTORS provision, apply unless otherwise specified in the Schedule.

(d) **EXAMINATION OF RECORDS.** The Contractor agrees that the Contracting Officer or designated representatives shall have the right to examine the Contractor's books, records, documents, or other data the Contracting Officer deems necessary to verify Contractor adherence to the provisions of this clause.

(e) **FINAL INVOICE.** The Contractor shall include a statement on the final invoice that the amounts invoiced hereunder have applied all decreases required by this clause.

(f) **TABLE.**

REFERENCE PRICE TABULATION				
ITEM NO. (LISTED ITEMS)	NAME OF PUBLICATION	HEADING UNDER WHICH REFERENCE PRICE IS PUBLISHED AND NAME OF PRODUCT	LOCATION WHERE REFERENCE PRICE IS APPLICABLE	REFERENCE PRICE AS OF APRIL 29, 2003 (EXCLUDES ALL TAXES)
See Below	Platt's Oilgram Price Report (U.S. Edition)	Product Price Assessments (Singapore/Japan Cargoes)	See Below	Compute average low/high for ten published effective days' price preceding date of lift.

PRODUCT (ITEM NO.)	REFERENCE PRODUCT (LOCATION)	REFERENCE PRICE/USG EFFECTIVE APRIL 29, 2003
JP8	Kerosene (Singapore Subheading)	\$0.685357

For Platt's Oilgram: "NOTE: Reference price is the average of the low and high prices for the ten published effective days' prices preceding the date of lift. For example, assume a lift on Friday and on that day, Platt's published the effective price assessment for the previous day (Thursday). That previous day's effective price assessment would be the tenth day used to calculate the reference price. If a lift were on Saturday, Sunday, or Monday, then the prior Friday's effective price, which is published on Monday, would be the tenth day used to calculate the reference price. Because Platt's does not publish on the weekend, Saturday's, Sunday's, and Monday's reference price is calculated the same and then only Saturday's reference and unit prices are reflected in the contract price modification. For any consecutive days' reference prices that calculate to be the same, only the first day's reference and unit prices are shown on the contract price modification. Accordingly, for any lift date not shown on a contract price modification, the last date prior to the missing date is used for payment purposes. If Platt's fails to publish an assessment designated for a particular product yet publishes other assessments for other products, then just that missing effective price for that particular product is not considered as a published day's price for reference price calculation purposes."

(DESC 52.216-9FR1)